



**Town of Arlington, Massachusetts**  
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## Minutes 12/16/2010

V2020 FISCAL RESOURCES TASK GROUP  
 Meeting Minutes 12/16/10

ATTENDEES: Gordon Jamieson (Chair), Heather Remoff, David Garbarino, Charlie Hayes, Pete Howard (Secretary)

### REPORTS

.. My tax dollars (past/future) analyses/posting The tax rate has been set by the BoS. Gordon will forward info to Peter for updating spread sheet. Gordon to get FY09 posted.

.. 5 Year Plan Retrospective Report .. Text version ongoing ..

Anticipated release date: Spring 2011 ATM at the latest

### PROPERTY TAX DISCUSSION

General review of split tax rate. Gordon provided a 20 yr summary of the revenue from residential compared to business properties. Since 1994, residential tax revenues have increased 98% while business tax revenues have increased by 2%. During this period both classes paid the same rate. However, business tax revenue account for only 6% of total. Should the business tax rate be raised 50% (the maximum allowed by Town bylaw), residential taxes would only be reduced 4%. BoS considers this a poor change. But why the slow growth in business taxes?

.. Land tax shift .. Heather reviewed the idea of gradually increasing land taxes & reducing taxes on buildings. Given Arlington's assessment records & \$500, the Center For The Study Of Economics would explain how a land tax shift might benefit Arlington. Gordon proposed we invite Bob Greeley to a future meeting to discuss these matters. Charley to draw up a discussion agenda for review by all by email. He will get it to everyone via Gordon by the end of December.

### RESERVE FUND DISCUSSION

Gordon suggested a warrant article to establish a policy of maintaining the Reserve Fund, which is administered by the FinCom, at 1% of the budget or about \$1.1m. In FY11 the Reserve Fund received \$977k. He proposed that the fund be used for unforeseen & necessary expenses as needed by any department and if not needed in a given year, be spent on the snow & ice deficit. As budgets get tighter, a central operating reserve is more efficient than small distributed reserves. It might also impress the bond rating agencies. After some discussion, Gordon was encouraged to prepare a warrant article for submission by Vision 2020.

.REVOLVING FUNDS (town and school) as a source of 'reserves' Not discussed

EFFICIENCIES - Operating/financial/state funding Not discussed

.. Quarterly W/S billing redact .. Community preservation act ..Regionalization (perhaps next year)

FY11/ FY12 REVENUE POSSIBILITIES Gordon has 2 proposals : PAYT and increase in retiree health care premium from 15% to 50%. No consensus was reached.

FUTURE MEETINGS: Will be monthly on 3d Thursday unless otherwise scheduled. Members should set aside 1/20, 2/17, 3/17, 4/21, 5/19

NEXT MEETING - Thu Jan 20 at 7.30pm - Location Town Hall Annex-1st Floor